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Juneau, Alaska 99801  
March 29, 1979

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United State Environmental Protection Agency  
Anchorage, Alaska & Washington, D.C.

ALASKA OPERATIONS

Sirs;

The Southeast Alaska Empire story last night said that you had given preliminary approval to ARCO and SOHIO to expand petroleum production in Prudhoe Bay, subject to public comment prior to April 24.

This letter contains my comments, as a member of the public and as a lobbyist & consultant here in Juneau (but my comments do not necessarily reflect the views of any other organizations with which I am affiliated). (I lobby for my own firm only, at this time.)

Please re-consider and deny approval for expanded petroleum production from Prudhoe Bay for the following reasons:

Alaskan production is now in excess of West Coast demand. According to Milt Barker, Alaskan Legislative Fiscal Analyst (Letter to Representative Russ Meekins, Chairman, House Finance Committee, March 26, 1979), "Recently, 404,000 BPD or 34% of TAPS throughput has been going to the Gulf of Mexico and East Coast."

Increasing the level of TAPS production will increase the amount of oil shipped to points beyond the West Coast. The shipping of the proposed additional oil to be produced, particularly at these greater distances, is environmentally and economically unsound.

The greater shipping distances for the proposed production create at least two environmental problems: 1) more energy will be consumed and more pollution produced by ships traveling the extra miles past West Coast ports, and 2) the likelihood of tanker collision at sea is probably directly related to the length of the tanker journey, so these greater distances mean a greater expected spillage.

On the economic side of the argument, both the oil companies themselves and the State of Alaska will realize a higher per-barrel price from oil shipped to ports closest to Alaska (and will not need to charge consumers quite so much to cover the transportation costs). The latest OPEC increases will result in higher total revenues to the companies, and higher royalties to the State, so that output need not be increased for that reason, and should not be increased if maximum per-barrel revenues and State royalties are to be realized.

I do not know why the companies are acting contrary to their own interests and contrary to Alaskan State interests, increasing US pollution.

Please deny permission for increased production at Prudhoe Bay.

Sincerely and cordially,

Dr. Joseph A. Sonneman  
FIVE STAR CONSULTING & RESEARCH

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